1	2	3	4
Uttar Pradesh	1300.00	1321.49	1148.76
Uttarakhand	26.00	33.82	29.38
Bihar	335.00	283.50	263.48
Jharkhand	100.00	70.48	66.34
Orissa	148.48	186.39	169.24
West Bengal	307.40	324.37	307.86
Assam	19.40	18.82	17.96
All India	8627.05	8792.05	8205.35

Overcharging of medicines

1715. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total detection of overcharging of medicines under price control by National Pharmaceutical Pricing Authority (NPPA) till date;

(b) the percentage and value of overcharging of medicines produced in excise free zones;

(c) whether Government has taken steps to put price control on non-scheduled medicines mostly being manufactured from excise free zones; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) Based on detection of overcharging cases National Pharmaceutical Pricing Authority (NPPA), since its inception and till 31st October 2009, has issued demand notices in 727 no. of cases for Rs.2106.29 crores (overcharging alongwith interest) for selling the medicines at higher than the price fixed under Drugs (Price Control) Order, 1995 (DPCO, 1995). States like Himachal Pradesh, Uttarakhand, Jammu and Kashmir, Sikkim and Daman and Diu have different scheme of excise duty exemption. No separate State-wise records are maintained by NPPA in this regard.

(c) and (d) In respect of drugs not covered under DPCO, 1995 *i.e.* non-Scheduled drugs, manufacturers are at liberty to fix the prices by themselves without seeking the approval of Government/NPPA. Such prices are normally fixed depending on various factors like the cost of bulk drugs used in the formulation, cost of excipients, cost of R and D, cost of utilities/packing

material, sales promotion costs, trade margins, quality assurance cost, landed cost of imports etc.

As a part of price monitoring activity, NPPA regularly examines the movement in prices of non-Scheduled formulations. The monthly reports of ORG IMS and the information furnished by individual manufacturers are utilized for the purpose of monitoring prices of non-Scheduled formulations. Wherever a price increase beyond 10% per annum w.e.f. 1.4.2007 (prior to 1.4.2007 it was 20% per annum) is noticed, the manufacturer is asked to bring down the price voluntarily failing which, subject to prescribed conditions action is initiated under paragraph 10(b) of the DPCO, 1995 for fixing the price of the formulation in public interest. This is an ongoing process.

Based on monitoring of prices of non-Scheduled formulations, NPPA has fixed prices in case of 27 formulation packs under para 10(b) and companies have reduced price voluntarily in case of 64 formulation packs. Thus in all, prices of 91 packs of non-scheduled drugs have got reduced as a result of the intervention of NPPA. There is no separate mechanism in DPCO, 1995 to control the prices of medicines being manufactured in excise free Zones.

Sale of anti-asthma drugs at higher prices

1716. SHRI AMAR SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that large number of companies producing anti-asthma products containing Salbutamol and Leavo Salbutamol are not following the ceiling prices and are selling their products at much higher prices;

(b) if so, whether Government has conducted any inquiry in this regard, and if so, the details thereof; and

(c) the action being taken against those companies?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) Yes, Sir.

(b) and (c) National Pharmaceutical Pricing authority (NPPA) has informed that certain companies were found selling Salbutamol and Leavo Salbutamol based medicines over and above the ceiling price fixed by NPPA. NPPA has issued notices to all such companies. Names of the companies where demand of overcharging have been quantified and their present status of recovery are given in Statement (*See* below). As number of cases related to Salbutamol bulk drug and related formulations are lying in various Courts and are sub-judice, the recovery of the amount depends on the outcome of these Court Cases.